Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network

Required Report - public distribution

Date: 11/20/2001

GAIN Report #BR1044

Brazil

Citrus

Semi-Annual

2001

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Report Highlights: The 2000/01 Brazilian orange crop (MY 2001/02) is estimated at 346 MBx., down 74 MBx. from the previous season, due to lower yields. São Paulo orange prices increased sharply due to the smaller crop. The October 2001 price for oranges delivered to processors was R$8.08/box, compared to R$2.01/box in October 2000. Brazilian MY 2001/02 frozen concentrated orange juice (FCOJ) production is estimated at 960 TMT, 65 Brix, down 220,000 tons from last season, due to fewer oranges for processing. FCOJ exports for MY 2001/02 are forecast at 1.055 MMT, 65 Brix, down 210 TMT from last season.

Includes PSD changes: No
Includes Trade Matrix: No
Semi-Annual Report
São Paulo [BR3] BR

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Executive Summary

ATO/São Paulo estimates the total 2000/01 Brazilian orange crop (marketing year - MY 2001/02 - July-June) at 346 million boxes (40.8 kilogram (kg)/box) (MBx), down 74 MBx. from the previous season. Post revised the orange production estimate for the commercial area of São Paulo and western Minas Gerais to 286 MBx., down 9 percent from the previous figure, a consequence of lower tree yields. Fruit size is also reported smaller than average. The harvest season has moved along and should be extended through December or mid-January 2002, depending on processing operations. Orange prices in the São Paulo commercial area increased sharply due to the smaller crop. The October 2001 price for orange delivered to processors, for example, was R$8.08 per box, compared to R$2.01 per box a year before. No official forecast for the 2001/02 orange crop (MY 2002/03) has been released. Unofficial forecasts place the 2001/02 São Paulo commercial crop between 350 and 360 MBx. Post contacts report the October 2001 flowering as excellent and uniform.

The ATO/São Paulo estimate for Brazilian MY 2001/02 frozen concentrated orange juice (FCOJ) production at 960 thousand metric tons (TMT), 65 Brix, is down 220 TMT from last year. The lower availability of oranges for crushing was the primary factor for the reduction. Approximately 220 MBx are expected to be crushed in the São Paulo commercial area. Other states – Bahia, Sergipe, Paraná and Rio Grande do Sul – should add 7 MBx. for processing. The MY 2001/02 season has been characterized by stiff competition for fruit between orange processors and the domestic fresh fruit market. Current processors include Cutrale, Citrosuco (Fischer), Citrovita, Cargill, Louis Dreyfus Corporation (COINBRA), Bascitrus and Sucorrico.

Brazilian MY 2001/02 FCOJ exports are forecast at 1.055 MMT, 65 Brix, down 210 TMT from last season, a result of the lower availability of oranges for processing. Higher export volumes will be limited by minimum domestic stocks required by processors. Post contacts report current orange export prices have been set at US$1,200-1,300 per metric ton (bulk), a direct consequence of lower fruit availability. Orange juice ending stocks for MY 2001/02 are projected at 100 TMT (65 Brix), down 111 TMT from last season.

FRESH ORANGES

PS&D Table

PSD Table						
Country	Brazil					
Commodity	Fresh Oranges		(HECTARES)(1000 TREES)(1000 MT)			
	Revised 1998		Preliminary 1999		Forecast 2000	
	Old	New	Old	New	Old	New
Market Year Begin	07/1999		07/2000		07/2001	
Area Planted	768,300	768,300	754,300	754,300	735,300	735,300
Area Harvested	717,500	717,500	697,500	697,500	678,500	678,500
Bearing Trees	201,000	201,000	198,000	198,000	195,000	195,000
Non-Bearing Trees	15,600	15,600	18,600	18,600	18,600	18,600
TOTAL No. Of Trees	216,600	216,600	216,600	216,600	213,600	213,600
Production	17,952	18,360	16,157	17,136	14,484	14,117
Imports	0	0	0	0	0	0
TOTAL SUPPLY	17,952	18,360	16,157	17,136	14,484	14,117
Exports	102	102	82	90	82	122
Fresh Dom. Consumption	5,039	5,426	4,610	5,418	3,713	4,488
Processing	12,811	12,832	11,465	11,628	10,689	9,507
TOTAL DISTRIBUTION	17,952	18,360	16,157	17,136	14,484	14,117

Production

PS&D Tables

The following tables provide data for São Paulo and total Brazilian fresh orange production, supply and demand (PS&D) for MY 1999/2000, 2000/01 and 2001/02 (July-June).

São Paulo: Fresh Oranges PS&D (Jul-Jun) (1,000 ha, million trees & million 40.8 kg boxes)			
Item/Marketing Year	1999/00	2000/01	2001/02
(Bloom/Harvest)	(98/99)	(99/00)	(00/01)
Area Planted	616.0	602.0	583.0
Area Harvested	579.0	559.0	540.0
Bearing Trees	165.0	162.0	159.0
Non-Bearing Trees	12.0	15.0	15.0
Total Trees	177.0	177.0	174.0
Production	395.0	355.0	286.0
Exports	2.5	2.2	3.0
Domestic Consumption	92.0	78.8	57.0
Processing FCOJ	300.0	270.0	220.0
Processing NFC (exports)	0.5	4.0	6.0

Brazil: Fresh Oranges PS&D (Jul-Jun) (1,000 ha, million trees & million 40.8 kg boxes)			
Item/Marketing Year	1999/00	2000/01	2001/02
(Bloom/Harvest)	(98/99)	(99/00)	(00/01)
Area Planted	768.3	754.3	735.3
Area Harvested	717.5	697.5	678.5
Bearing Trees	201.0	198.0	195.0
Non-Bearing Trees	15.6	18.6	18.6
Total Trees	216.6	216.6	213.6
Total Production	450.0	420.0	346.0
São Paulo	395.0	355.0	286.0
Others	55.0	65.0	60.0
Exports	2.5	2.2	3.0
Domestic Consumption	133.0	132.8	110.0
Processing FCOJ	314.0	281.0	227.0
São Paulo	300.0	270.0	220.0
Others	14.0	11.0	7.0
Processing NFC (exports)	0.5	4.0	6.0

General

ATO/São Paulo raised the Brazilian MY 2000/01 (1999/200 crop) orange production estimate to 420 MBx, based on updated Brazilian Geography and Statistics Institute (IBGE) information for states other than São Paulo. The MY 1999/00 and 2000/01orange production estimates for the commercial area of the state of São Paulo and western part of Minas Gerais remain unchanged at 395 and 355 MBx, respectively.

ATO/São Paulo estimates the 2000/01 Brazilian orange crop (MY 2001/02) at 346 MBx, down 74 MBx from the previous season. The decrease is related mainly to a drop in the São Paulo orange crop. Post reduced the orange production estimate for the commercial area of São Paulo and western Minas Gerais to 286 MBx., down 9 percent from the previous figure, a consequence of dry weather in the producing regions during October and November 2000 which negatively impacted fruit set. The resulting fruit size is also reported smaller than average. In addition management of commercial groves was below normal the past few years as a result of low producer prices. The second and third blossoms should not result in a significant volume of late season oranges, as compared to last crop.

The harvest season has progressed and should be extended through December or mid-January 2002 depending on the processing operations. Some processors may crush oranges from the Natal and Valencia third flowering in February/March, but volumes should not be significant. Both the size of the fruit and the ratio are reported to be lower than normal. The lower ratio from the third flowering of the Pera Rio variety has caused orange juice plants to reduce the crushing pace mid-season. Currently, the crushing pace is considered regular by industry contacts.

No official forecast for the 2001/02 orange crop (MY 2002/03) has been released. Unofficial forecasts place the 2001/02 São Paulo commercial crop between 350 and 360 MBx. Post contacts report the October 2001 flowering as excellent and uniform. The rainy season has contributed to stable fruit setting so far. Better grove management is also reported, a result of improved producer prices this season. Orange groves, never the less, still must recuperated from the poor management of recent years.

The São Paulo state Institute of Agricultural Economics (IEA) released the results of the fifth citrus crop survey (June 2001) for the 2000/01 crop. The 2000/01 São Paulo crop, for both commercial and non-commercial areas, is estimated at approximately 335.1 MBx, down 0.33 percent from the fourth survey (April 2001) estimate. Note that the IEA takes into account the entire state of São Paulo, while the ATO estimate considers only the commercial area of the state plus the western part of Minas Gerais.

Crop area and tree population

The Post estimate for MY 2001/02 orange area and tree population remains unchanged at 735,300 hectares (ha.) and 195 million trees, respectively. The São Paulo commercial orange tree population is placed at 159 million bearing trees and 15 million non-bearing trees. There is no current joint survey conducted by citrus processors or the São Paulo State Fund for the Defense of Citriculture (Fundecitrus) to count orange trees in the São Paulo commercial area. Each processor has its own methodology to estimate tree inventory, which vary from 150 to 160 million trees for the bearing tree population.

As reported by IEA in the June 2001 survey results, the MY 2001/02 orange planted area is estimated at 642,780 ha., while harvested area is583,124 ha. The São Paulo orange tree inventory for the 2000/01 crop (MY2001/02) is estimated at 205.4 million trees – 186.6 million bearing trees and 18.8 million non-bearing trees. [Note that the

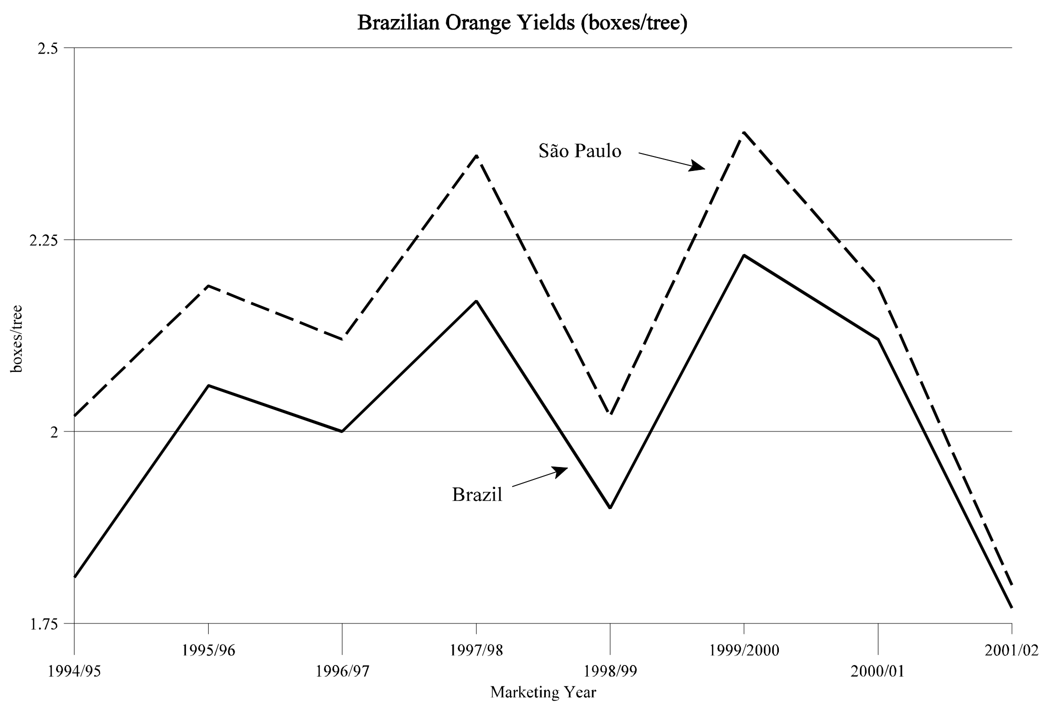
IEA takes into account the entire state of São Paulo, while the ATO estimate considers only the commercial area of the state plus the western part of Minas Gerais.].

Many contacts forecast that the São Paulo commercial bearing tree population should diminish further over the next one or two crops as a consequence of poor grove management, diseases, abandonment and replacement of older trees. The decline, however, should not be as profound as has been the case these past couple of years. Reports of new planting abound, but accurate figures are not known. The availability of citrus seedlings could be a limiting factor over the next 2 or 3 years as legislation, effective January 2003, will enforce prohibitions on the marketing and transport of seedlings from unprotected nurseries. Currently, only protected citrus nurseries are eligible for the applicable business permit issued by the São Paulo Secretariat of Agriculture.

As reported by Fundecitrus, a total of 1,294 nurseries were inspected in October 2001. The results show that 1,195 nurseries were in operation. Unprotected nurseries, in which seedlings are kept without screened enclosures, represent 85 percent of the total in operation (1,020 units). The number of inspected seedlings amounted to 11,141,493: unprotected nurseries 8,930,390 seedlings and protected nurseries 2,211,103 seedlings.

Yields

The 2000/01 Brazil crop (MY 2001/02) yield is estimated at 1.77 boxes (40.8 kg.) per tree, down 16 percent from the previous season. São Paulo, with yields currently estimated at a reduced 1.8 boxes per tree, accounts for much of the decline. Dry weather during the fruit set period and poor grove management, due to low producer prices, are the major factors leading to such low figure. The graph below shows historical orange yields for Brazil and the commercial area São Paulo and western Minas Gerais.



Diseases

The 2001 field survey conducted by Fundecitrus in June and July, indicated that approximately 36 percent of the sampled trees (1,655) in the São Paulo and western Minas Gerais commercial area show symptoms of Citrus Chlorosis Variegated (CVC). Results indicate that 12.4 percent of the sampled trees showed symptoms restricted to leaves (Grade 1), while 24.1 percent showed leaf and fruit symptoms (Grade 2). The north and northwest regions of the commercial area were the most affected by the disease, 48.6 and 40.9 percent of affected trees, respectively. Trees between 6 and 10 years of age were the most affected comprising 48.5 percent of the total for this age group. Trees 3 to 5 year old follow with 43.04 percent of the total for this age group. The table shows the evolution of the disease from 1996 to 2001, as reported by Fundecitrus.

Citrus Chlorosis Variegated (CVC) Estimated prevalence of Symptoms (percentage of total sample)						
Severity	1996	1997	1998	1999	2000	2001
Grade 1 1/	15.93	22.89	13.68	20.95	13.23	12.37
Grade 2 2/	6.17	9.39	7.55	15.13	20.8	24.07
Total	22.10	32.28	21.23	36.08	34.03	36.44

Source: São Paulo State Fund for Defense of Citriculture (FUNDECITRUS).
1/ Grade 1: plants with symptoms restricted to the leaves.
2/ Grade 2: plants with leaf and fruit symptoms

Cumulative 2001 (January-October) tree eradication for commercial groves (blocks) due to citrus canker is approximately 262,500 trees, down 625,000 trees from the same period in 2000. Cumulative non-commercial grove eradication for the January-October period is approximately 48,000, down 11,500 trees from the same period in 2000. The table below shows the evolution of citrus canker for 2001, as reported by Fundecitrus.

Evolution of Citrus Canker in the State of São Paulo, 2001											
Month	Block				Domestic Grove				Nurseries		
	New	Recontamination	Total	Plants Eradic.	New	Recontamination	Total	Plants Eradic.	New	Total	Plants Eradic.
Jan	14	40	54	23,285	279	37	316	27,898	1	1	0
Feb	23	47	70	57,268	70	6	76	1,112	0	0	12,000
Mar	23	55	78	46,189	18	3	21	2,182	0	0	0
Apr	13	50	63	58,307	22	9	31	2,115	0	0	0
May	32	43	75	30,319	89	6	95	3,139	0	0	0
Jun	14	36	50	20,462	22	3	25	3,612	0	0	0
Jul	8	21	29	7,966	39	2	41	2,680	0	0	0
Aug	9	10	19	10,627	67	36	103	1,694	0	0	0
Sep	9	9	18	5,865	47	8	55	2,598	0	0	0
Oct	7	5	12	2,355	24	2	26	1,263	0	0	0
Cumul.	152	316	468	262,643	677	112	789	48,293	1	1	12,000
Source: São Paulo State Fund for Defense of Citriculture (FUNDECITRUS).											

Producers' Prices

The Orange Index price series released by the University of São Paulo's College of Agriculture "Luiz de Queiroz" (ESALQ) for both the fresh domestic market and product delivered to orange juice plants in the state of São Paulo follow. Both series track orange prices since September 1994. Prices for the fresh market are for fruit on the tree. Note the sharp increase in orange prices in the state of São Paulo during 2001 as a consequence of lower expected production. According to post contacts, new orange contracts with processors have been set at US$3.00-3.50 per box for the current and next 2 crops. Higher prices associated with reduced number of bearing trees could eventually lead to another boom in new tree planting.

Orange Prices received by Producers in the Domestic Market (Pera Variety, average prices in Reals (R$), 40.8 kg box, fruits on the tree)								
Month	1994	1995	1996	1997	1998	1999	2000	2001
Jan	--	4.47	1.74	3.65	4.44	6.70	2.17	4.15
Feb	--	3.98	1.61	5.29	5.50	8.14	2.61	6.33
Mar	--	4.84	2.03	5.69	5.67	8.13	4.54	9.97
Apr	--	5.48	2.70	4.49	4.32	6.15	4.79	9.82
May	--	3.72	2.42	3.06	3.48	4.33	3.41	8.51
Jun	--	2.67	2.05	2.44	3.72	3.52	2.22	7.88
Jul	--	2.52	2.09	2.38	4.31	2.85	2.18	8.31
Aug	--	2.18	2.25	2.31	5.06	2.25	2.50	9.27
Sep	3.52	2.18	2.48	2.41	5.24	1.81	2.72	10.34
Oct	4.41	1.96	2.76	2.80	5.41	1.42	2.75	11.30
Nov	7.23	1.93	2.82	3.45	5.55	1.29	3.43	11.41
Dec	5.32	1.66	2.82	4.07	5.87	1.52	3.79	--
Source: CEPEA/ESALQ Note: November price reflects average prices during Nov. 1 to 7.								

Orange Prices paid by São Paulo industry - spot market (Pera Variety, average prices in Reals (R$), 40.8 kg box, fruits delivered to the processing plant)								
Month	1994	1995	1996	1997	1998	1999	2000	2001
Jan	--	3.03	1.44	2.62	3.24	3.91	1.47	3.98
Feb	--	2.68	1.29	2.58	3.54	3.89	1.46	5.11
Mar	--	2.60	1.32	2.50	3.80	3.96	1.61	5.46
Apr	--	2.36	1.41	2.50	3.80	--	1.80	5.50
May	--	2.18	1.47	2.50	3.94	--	1.70	5.50
Jun	--	1.97	1.53	2.50	4.30	--	1.68	--
Jul	--	1.66	1.81	2.50	4.76	2.72	1.66	6.97
Aug	--	1.56	1.95	2.50	5.21	2.47	1.58	7.16
Sep	3.04	1.58	2.11	2.49	5.25	2.06	1.66	7.44
Oct	2.92	1.54	2.48	2.59	5.19	1.87	2.01	8.08
Nov	3.06	1.61	2.46	2.83	5.20	1.65	2.48	9.00
Dec	3.16	1.50	2.50	3.08	4.78	1.52	2.94	--
Source: CEPEA/ESALQ Note: November price reflects average prices during Nov. 1 to 7.								

Consumption

Brazilian domestic orange consumption for MY 2001/02 is estimated at 110 MBx., down 22.8 MBx from the revised figure for MY 2000/01 (132.8 MBx.). Lower fruit availability and steady processor demand impacted direct consumption. Domestic orange consumption for MY 1999/2000 was raised to 133 MBx, up 9.5 MBx. from the previous estimate. Note that these figures include actual domestic consumption plus losses from natural drop, harvesting, transportation and packing. Fruit delivered to processors for not from concentrated orange juice (NFC) production for the domestic market is also included in these figures. Domestic consumption estimates are taken as the difference between production estimates and the volume of oranges delivered to processors for FCOJ and NFC for export.

The São Paulo government passed law 10,945 in November 2001 that introduces fresh oranges and orange juice consumption in state schools. According to Abecitrus, this new niche represents 10 MBx of new domestic market demand annually and is equivalent to 40 TMT of ready to drink juice (230 million liters/year).

Trade

The ATO/São Paulo estimate for MY 2001/02 orange exports is 3 MBx., up 800,000 boxes from MY 2000/01, based on updated Brazilian Secretariat of Foreign Trade (SECEX) information. The table below shows official fresh orange exports (NCM 0805.10.00) by country of destination for MY 19099/2000 and 2000/01 (January-December) and 2000/01 and 2001/02 (July-September). The graph below shows fresh orange exports to major destinations for MY 1999/2000 and 2000/01, according to SECEX.

Fresh Orange Exports by Country of Destination (MT & US$ 1,000 FOB)

Destination	MY 1999/00		MY 2000/01		MY 2000/01 1/		MY 2001/02 1/	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Netherlands	68,235	13,233	46,767	9,559	30,502	6,328	46,201	9,272
United Kingdom	8,724	1,670	11,338	1,811	4,646	811	10,210	1,632
U.A.E.	6,555	1,449	4,512	990	4,489	983	9,069	1,860
Spain	6,024	1,367	19,063	4,167	9,323	2,033	29,602	6,248
Portugal	5,145	1,367	1,130	261	834	194	11,329	2,339
Russia	3,014	832	855	171	0	0	0	0
Kuwait	1,438	296	1,388	300	1,376	297	1,314	270
Paraguay	66	3	26	5	0	0	0	0
Saudi Arabia	54	21	167	57	0	0	0	0
Bahrein	48	19	0	0	0	0	0	0
Others	74	43	4,517	762	2,280	418	5,038	968
Total	99,377	20,301	89,763	18,085	53,583	11,112	112,763	22,588

Source: Brazilian Department of Foreign Trade (SECEX), NCM 0805.10.00
1/ July to September

Source: SECEX

FCOJ

PS&D Table

PSD Table						
Country	Brazil			65 Degrees Brix		
Commodity	Juice, Orange				(MT)	
	Revised 1998		Preliminary 1999		Forecast 2000	
	Old	New	Old	New	Old	New
Market Year Begin	07/1999		07/2000		07/2001	
Deliv. To Processors	12,811	12,832	11,465	11,628	10,689	9,507
Beginning Stocks	263,000	263,000	312,000	312,000	236,000	211,000
Production	1,360,000	1,360,000	1,180,000	1,180,000	1,085,000	960,000
Imports	0	0	0	0	0	0
TOTAL SUPPLY	1,623,000	1,623,000	1,492,000	1,492,000	1,321,000	1,171,000
Exports	1,295,000	1,295,000	1,240,000	1,265,000	1,185,000	1,055,000
Domestic Consumption	16,000	16,000	16,000	16,000	16,000	16,000
Ending Stocks	312,000	312,000	236,000	211,000	120,000	100,000
TOTAL DISTRIBUTION	1,623,000	1,623,000	1,492,000	1,492,000	1,321,000	1,171,000

Production

PS&D Tables

The following production, supply and demand (PS&D) tables provided revised data for the state of São Paulo and total Brazilian FCOJ for MY 1999/2000, 2000/01 and 2001/02 (June-July).

São Paulo: FCOJ PS&D (July-June) (Million 40.8 kg boxes, TMT, 65 degrees brix)			
Item/Marketing Year	1999/00	2000/01	2001/02
(Bloom/Harvest)	(98/99)	(99/00)	(00/01)
Delivered to Processors	300.0	270.0	220.0
Beginning Stocks	263.0	312.0	211.0
Production	1,310.0	1,140.0	935.0
Total Supply	1,573.0	1,452.0	1,146.0
Exports	1,245.0	1,225.0	1,030.0
Domestic Consumption	16.0	16.0	16.0
Ending Stocks	312.0	211.0	100.0
Total Distribution	1,573.0	1,452.0	1,146.0

Brazil: FCOJ PS&D (July-June) (Million 40.8 kg boxes, TMT, 65 degrees brix)			
Item/Marketing Year	1999/00	2000/01	2001/02
(Bloom/Harvest)	(98/99)	(99/00)	(00/01)
Delivered to Processors	314.0	281.0	227.0
São Paulo	300.0	270.0	220.0
Others	14.0	11.0	7.0
Beginning Stocks *	263.0	312.0	211.0
Total Production	1,360.0	1,180.0	960.0
São Paulo	1,310.0	1,140.0	935.0
Others	50.0	40.0	25.0
Total Supply	1,623.0	1,492.0	1,171.0
Exports	1,295.0	1,265.0	1,055.0
São Paulo	1,245.0	1,225.0	1,030.0
Others	50.0	40.0	25.0
Domestic Consumption	16.0	16.0	16.0
Ending Stocks	312.0	211.0	100.0
Total Distribution	1,623.0	1,492.0	1,171.0
* São Paulo stocks.			

General

ATO/São Paulo estimates total Brazilian MY 2001/02 FCOJ production at 960 TMT, 65 Brix, down 125 TMT from previous forecast and 220 TMT from last season, due to the lower availability of oranges for processing. Worldwide demand is increasing and should not be considered the limiting factor for expected lower exports. The São Paulo commercial area should contribute 935 TMT, with the remainder coming from other states. Approximately 220 MBx are expected to be crushed in the São Paulo commercial area. Other states – Bahia, Sergipe, Paraná and Rio Grande do Sul – should account for another7 MBx of oranges.

The MY 2001/02 season has been characterized by stiff competition for fruits between orange juice processors and the domestic fresh fruit market. Prices paid to producers by both markets increased sharply, as noted in the aforementioned prices series (see Price section). Some processors have reportedly received fruit from as far away as the northeastern region of the country. Prices paid for fruit from the northeast is reported at US$3.30 per box at the plant. A tight FCOJ supply is expected for MY 2002/03 even if the upcoming season yields a good crop.

The harvest season has moved along well and should be extended through December or mid-January 2002 depending on the processing operations. Some processors may crush third blossom Natal and Valencia oranges in February/March, but volumes should not be significant.

Current processors include Cutrale, Citrosuco (Fischer), Citrovita, Cargill, Louis Dreyfus Corporation (COINBRA), Bascitrus and Sucorrico. It is reported that Cutrale's Olimpia unit and Cargill's Uchoa plant are not operating this season. All companies were able to adapt themselves to the new energy rationing policies announced by the

Brazilian government in May 2001.

Consumption

Domestic FCOJ consumption for MY 2001/02 remains stable at 16 TMT, 65 Brix.

Trade

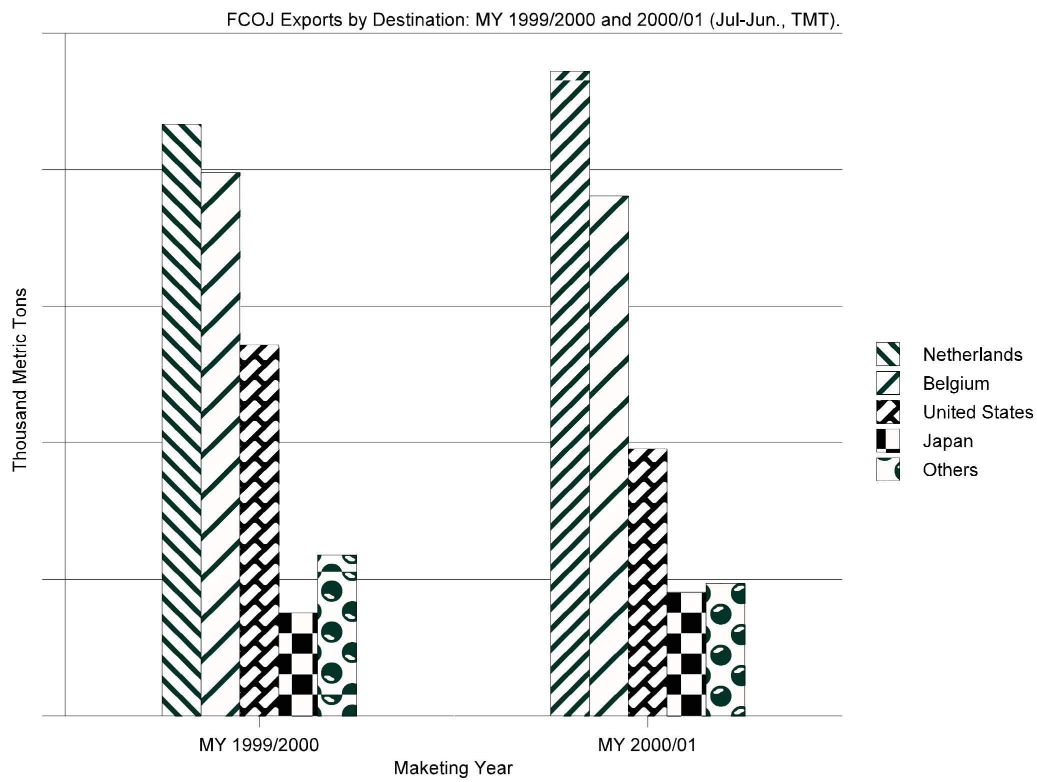
ATO/São Paulo revised the Brazilian export estimate for MY 2000/01 to 1.265 MMT, 65 Brix, up 2 percent from the previous estimate, due to updated information from post contacts and the Brazilian Department of Foreign Trade (SECEX). The São Paulo commercial area contributed 1.225 MMT (65 Brix), with other states adding 40 TMT. Brazilian exports for MY 2001/02 are forecast at 1.055 MMT, 65 Brix, down 210 TMT from last season, due to lower fruit availability for processing. Higher export volumes will be limited by minimum domestic stocks required by processors.

According to information provided by post contacts, current FCOJ export prices have been set at US$1,200-1,300 per metric ton (bulk), a direct consequence of the lower availability of fruits for processing. However, many 2 year contract were set last season at US$650-800 per metric ton (bulk), FCA (Free Carrier), and most of the exported volumes still reflects old negotiations. Industry contacts report that higher FCOJ prices could eventually result in a price related reduction in European Union orange juice demand. EU orange juice bottlers would not be able to transfer the higher cost to the final consumers as they are squeezed by large supermarket chains. Small size orange juice bottlers would go out of business since they would not bear the sharp increase in FCOJ prices. In addition, the percentage of nectar blended using orange juice could increase, as well as the supply of apple juice in the market.

The table and graph below show official frozen orange juice exports (NCM 2009.11.00) by country of destination for MY 1999/2000 and 2000/01 (July-June) and MY 2000/01 and 20001/02 (July-September), as reported by SECEX. Note that SECEX reports orange juice exports for all different brix levels. According to the Brazilian Association of Citrus Exporters (Abecitrus), total FCOJ exports for MY 2000/01from the Port of Santos were 1.234 MMT (Brix not informed).

Frozen Concentrated/Non-Concentrated Orange Juice Exports (MT and US$ 1,000 FOB).								
Destination	MY 1999/2000		MY 2000/01		MY 2000/01 1/		MY 2001/02 1/	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Netherlands	433,190	433,817	472,146	329,697	113,116	96,525	100,112	68,111
Belgium	397,778	384,018	380,684	255,717	104,073	82,360	106,998	65,519
United States	271,583	246,808	195,401	132,538	31,577	25,154	33,037	22,811
Japan	75,350	71,853	90,546	64,911	16,153	12,912	13,813	10,468
United Kingdom	27,958	27,558	3,957	2,486	1,370	1,058	206	133
South Korea	27,534	26,831	20,982	14,939	3,538	3,317	3,600	2,193
Australia	14,569	13,996	20,446	13,651	2,759	2,123	7,651	4,943
Puerto Rico	9,403	11,101	9,339	8,539	1,868	1,887	2,632	2,275
Argentina	5,202	5,820	5,928	4,889	876	955	299	209
New Zealand	3,687	3,743	5,174	3,973	1,408	1,332	1,619	979
Taiwan	2,996	3,194	4,012	2,854	1,358	1,205	792	505
Others	26,474	27,118	27,065	19,430	5,160	4,536	10,109	7,297
Total	1,295,725	1,255,858	1,235,679	853,625	283,257	233,364	280,869	185,444

Source: Brazilian Department of Foreign Trade (SECEX), NCM 2009.11.00.
1/ July to September.



Stocks

Post estimates orange juice ending stocks for MY 2001/02 at 100 TMT (65 Brix), down 111 TMT from last season, a result of expected lower FCOJ production. Note that these figures do not include FCOJ stored in processors' offshore tanks and in transit. Many contacts report that 100 TMT is a minimum volume required by processors as domestic FCOJ stocks. These stocks will be mixed with FCOJ from the next processing season to reach the right blend for export products. Brazilian ending FCOJ stocks worldwide are reported at 300-350 TMT, 65 Brix for MY 2001/02.

NFC (Not From Concentrate)

There is no official estimate for NFC supply and demand in Brazil. Post forecasts that 6 MBx of oranges will be crushed for fresh squeezed production for exports for MY 2001/02, a 2 MBx increase from the previous estimate. Note that current PS&D tables consider NFC production for exports as a different entry (see Tables in PS&D section). The table below shows "Other Orange Juice" exports by country of destination for MY 1999/00 and 2000/01 (July-June) and MY 2000/01 and 20001/02 (July-September), according to the Brazilian Secretariat of Foreign Trade (SECEX).

Brazilian Orange Juice Exports, Others (MT and US$ 1,000 FOB).								
Destination	MY 1999/00		MY 2000/01		MY 2000/01 1/		MY 2001/02 1/	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Belgium	484	107	61,047	13,977	9,801	2,446	23,491	5,693
United States	0	0	19,272	4,529	9,613	2,355	6,447	1,451
Argentina	6,045	2,974	7,330	3,672	1,554	766	1,258	584
Netherlands	3,203	1,081	6,393	1,592	773	167	2,384	834
Chile	303	148	419	205	92	45	120	59
Uruguay	149	112	162	126	35	28	42	26
Puerto Rico	171	71	42	17	21	8	0	0
Paraguay	41	22	40	21	4	2	1	0
Japan	6	4	81	68	13	6	10	6
Others	1	5	92	32	9	6	60	24
Total	10,403	4,522	94,879	24,239	21,915	5,830	33,813	8,678
Source: Brazilian Department of Foreign Trade (SECEX), NCM 2009.19.00. 1/ July to September								

Exchange Rate

Exchange Rate (R$/US$1.00 - official rate, last day of period)					
Month	1997	1998	1999	2000	2001
January	1.05	1.12	1.92	1.80	1.97
February	1.05	1.13	2.03	1.77	2.04
March	1.06	1.14	1.77	1.75	2.16
April	1.06	1.14	1.66	1.81	2.22
May	1.07	1.15	1.72	1.82	2.36
June	1.08	1.16	1.77	1.80	2.30
July	1.08	1.16	1.79	1.78	2.43
August	1.09	1.18	1.81	1.82	2.55
September	1.10	1.19	1.92	1.84	2.67
October	1.10	1.19	1.95	1.91	2.71
November	1.11	1.20	1.92	1.98	--
December	1.12	1.21	1.79	1.96	--
Source: Gazeta Mercantil					

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